

# Federal Circuit Patent Bulletin: *Owens Corning v. Fast Felt Corp.*

November 16, 2017

*"[W]here only one answer is supported by substantial evidence and there is neither a request nor an apparent reason to grant a second record-making opportunity, reversal is warranted."*

On October 11, 2017, in *Owens Corning v. Fast Felt Corp.*, the U.S. Court of Appeals for the Federal Circuit (Newman, Dyk, Taranto\*) reversed the U.S. Patent and Trademark Office Patent Trial and Appeal Board inter partes review decision that certain claims of U.S. Patent No. 8,137,757, which related to printing nail tabs or reinforcement strips on roofing or building cover material, were not invalid for obviousness. The Federal Circuit stated:

All of the challenged claims contain the claim term "roofing or building cover material." . . . U.S. Patent No. 6,451,409 (Lassiter) is the key piece of prior art. It specifically teaches a process of using nozzles to deposit polymer nail tabs on roofing and building cover materials to solve some of the same industry problems as are identified in the '757 patent. The first ground of asserted unpatentability, applicable to claims 1, 2, 4, 6, and 7, is obviousness over a combination of Lassiter and U.S. Patent No. 5,101,759 (Hefele). . . . Hefele discloses an offsetgravure printing process using a pressure roller to form "grid-like coatings" on a variety of "web-like flexible planar" materials. The other asserted ground of unpatentability that is presented to us, applicable to claims 1, 2, 4, 6, and 7, is obviousness over a combination of Lassiter and U.S. Patent No. 6,875,710 (Eaton). Eaton discloses a process of using a transfer roll to apply "discrete polymeric regions" to reinforce various substrates and a process for laminating two substrates together. . . .

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## Practice Areas

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Owens Corning first argues that the Board, when evaluating obviousness in light of the prior art, at least implicitly adopted an erroneous claim construction. Specifically, it contends that the Board effectively treated the “roofing or building cover material” as limited to material that either has been or would be coated or saturated with asphalt or asphalt mix. And it contends that such a construction is legally incorrect under the broadest-reasonable-interpretation standard applicable in the IPR. We agree as to both parts of this contention.

In the claim-construction portion of its opinion, the Board construed the claim term “roofing or building cover material” to mean “base substrate materials such as dry felt, fiberglass mat, and/or polyester mat, before coating or saturation with asphalt or asphalt mix, and asphalt coated or saturated substrates such as tar paper and saturated felt.” It later noted, correctly, that this construction “does not require an asphalt-coated substrate.” But when evaluating Owens Corning’s arguments regarding motivation to combine and reasonable expectation of success, the Board made clear its understanding of its construction, and hence of the claims, as requiring materials that would eventually be coated with asphalt even if they had not already been coated before printing. . . .

The exclusion of such materials from the scope of the claims is mistaken. In an inter partes review proceeding, the Board is to give a claim “its broadest reasonable construction in light of the specification of the patent in which it appears.” “We review underlying factual determinations concerning extrinsic evidence for substantial evidence and the ultimate construction of the claim de novo.” It is not reasonable to read the claims as limited to materials that either have been or are to be coated or saturated with asphalt or asphalt mix. . . . [T]he broadest reasonable construction of “roofing or building cover material” would include materials that neither have been nor are to be coated or saturated with asphalt or asphalt mix. We conclude that the Board erred in effectively construing the claims to exclude such materials.

In this case, it is not necessary or appropriate to remand for the Board to reassess the evidence in light of the correct claim construction. On the evidence and arguments presented to the Board, there is only one possible evidence-supported finding: the Board’s rejection of Owens Corning’s challenge, when the correct construction is employed, is not supported by substantial evidence. Moreover, in this court, after Owens Corning sought outright reversal on this ground in its opening brief, Fast Felt in its responsive brief did not ask for a remand if this court adopted a claim interpretation not limited by any requirement of asphalt coating or saturation. In particular, Fast Felt did not respond that this was a late-arising interpretation and it had lacked an opportunity in the Board proceedings to introduce evidence relevant under this interpretation. Nor do we see a basis for such an argument. . . . In these circumstances, where only one answer is supported by substantial evidence and there is neither a request nor an apparent reason to grant a second record-making opportunity, reversal is warranted.

Whether a claimed invention would have been obvious is a question of law (reviewed de novo), based on factual determinations (reviewed for substantial-evidence support) regarding the scope and content of the prior art, differences between the prior art and the claims at issue, the level of ordinary skill in the pertinent art, the motivations to modify or combine prior art, and any objective indicia of non-obviousness. Here, as explained above, it is settled that the prior-art combinations at issue disclose all of the elements of the claims.

The only question is whether a relevant skilled artisan would have been led to make the combinations with a reasonable expectation of success. . . . Based on the record before us, there is only one permissible factual finding—a skilled artisan would be motivated to combine the prior-art references to print nail tabs on building cover materials that are not (already or to be) asphalt coated or saturated. Lassiter’s nozzle-based printing technique and Hefele’s and Eaton’s gravurebased printing processes were known substitutes, with success predictable as to materials covered by the claims. There is no substantial evidence to the contrary. “[W]hen a patent simply arranges old elements with each performing the same function it had been known to perform and yields no more than one would expect from such an arrangement, the combination is obvious.”